

Rio Metro Regional Transit District

State FY 2014 Budget & FY 2015-2020 Budget Projections

Prepared for the Transportation Infrastructure Revenue Subcommittee

Rail

The RMRTD rail budget for State FY 14 includes \$40.2 million in revenues and \$40.2 million in expenditures for the New Mexico Rail Runner Express. The budget reflects significantly larger revenues and expenditures than were included in the FY 13 budget. The RMRTD anticipates “catching up” on Federal 5307 revenues, which will bring in an additional \$7.9 million in SFY 14. Additionally, the RMRTD will receive \$2.0 million of federal 5337 (State of Good Repair) funds in SFY 14, a new source of revenue for the RMRTD.

The additional revenues are allocated to Maintenance of (right of) Way (MOW) and Maintenance of Equipment (MOE). These responsibilities were only partially funded in SFY 13. Additionally, a cash reserve / emergency fund is created for rail operations and capital. The fund will provide the RMRTD resources roughly equal to four months of capital and operating expenses. This reserve will also fund the mid-life refurbishment of rolling stock starting in SFY16. While the cash reserve will likely be achieved toward the end of the fiscal year the budget anticipates this fund to be \$8.6 million.

As with the SFY 13 budget, the SFY 14 budget assumes a constant level of service through the year.

Key Revenue Notes:

- Federal 5307 (Fixed Guideway) revenues increase from \$9.0 million to \$15.7 million by “catching up” on capturing federal fiscal year 14 distribution in the SFY budget.
- Federal 5337 (State of Good Repair) revenues are received by the RMRTD for the first time, amounting to \$2.0 million.
- Gross Receipts Tax revenue (combined from RMRTD and NCRTD bases) for SFY13 and 14 are projected to be lower than anticipated in last year’s budget (reflecting decreases of \$125k and \$350k, respectively).
- Farebox revenues are projected to be slightly lower in SFY 13 and 14 than anticipated in last year’s budget.

Key Expenditure Notes:

- The operations and maintenance budget has been revised to reflect the new contract with Herzog and breaks out the “Herzog Transit Contract” and the materials used in

these activities. Overall, the new contract is expected to reduce expenditures by approximately \$1.0 million annually.

- The major maintenance plan reflects full funding for all anticipated MOW and MOE activities identified in last year's plan. Last year's budget reflected these activities being funded at 20% of the identified level.
- Bridge maintenance expenditures were added to a new expenditure line of "Maintenance of Way (MOW and Bridge) and are funded at \$500 per year for SFY14 – SFY 17.

Key SFY 2015 – 2020 Forecast Notes

Federal 5307 and GRT revenues are forecasted to consistently increase through 2020, while Federal 5337 funds increase to full allocation levels in 2015 (\$5.5 million) and continue through 2020. Expenditures begin in 2016 for mid-life refurbishments of rolling stock (locomotives, coach cars, and cab cars) with expenditures distributed over time to maintain cash reserve levels and to reflect operational considerations. Revenues from the cash reserve fund are shown in SFY17 and 18, two years of high MOE costs, to offset these activities. The costs of refurbishing 8 of nine locomotives, 15 of 18 coaches, and all 9 cab cars (for a total of \$24.8 million) are reflected in state fiscal years 16 -20. The refurbishment of the remaining locomotive and 3 coaches is expected to occur after FY 20 and will be reflected in future budget projections.

These projections assume a constant level of service through the year.

(Note: only FY 14 is adopted as budget. Out years are adopted as update to Short Range Plan)

RAIL PROGRAM: SFY 14 BUDGET AND SEVEN YEAR FINANCIAL PLAN

	State Fiscal Year (\$000)						
Capital and Operating Revenues	SFY 2014	SFY 2015	SFY 2016	SFY 2017	SFY 2018	SFY 2019	SFY 2020
Federal 5307 (Large Urban)	\$15,717.0	\$8,155.0	\$8,399.0	\$8,651.0	\$8,911.0	\$9,178.0	\$9,453.34
Federal 5307 (Small Urban)	\$150.0	\$154.5	\$159.1	\$163.9	\$168.8	\$173.9	\$179.1
Federal Flex Funds (CMAQ & STPU)	\$955.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Federal 5337 (SGR)	\$2,000.0	\$5,500.0	\$5,665.0	\$5,835.0	\$6,010.0	\$6,190.0	\$6,375.70
Federal 5317	\$120.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Federal 5309 (TAMS)	\$340.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
State / RRKing	\$3,304.0	\$950.0	\$950.0	\$950.0	\$950.0	\$950.0	\$950.0
BNSF/Amtrak Lease	\$1,800.0	\$1,854.0	\$1,909.6	\$1,966.9	\$2,025.9	\$2,086.7	\$2,149.3
Rio Metro / NCRTD GRT	\$12,590.4	\$13,052.8	\$13,489.1	\$13,883.6	\$14,254.9	\$14,636.2	\$15,027.8
Farebox	\$3,148.7	\$3,211.6	\$3,275.9	\$3,341.4	\$3,408.2	\$3,476.4	\$3,545.9
Advertising Revenues	\$75.0	\$125.0	\$128.8	\$132.6	\$136.6	\$140.7	\$144.9
Special Project Revenues	\$20.6	\$21.2	\$21.9	\$22.5	\$23.2	\$23.9	\$24.6
Cash Reserve	\$0.0	\$0.0	\$0.0	\$2,180.5	\$0.0	\$3,015.8	\$0.0
TOTAL REVENUES	\$40,220.6	\$33,024.1	\$33,998.3	\$37,127.5	\$35,888.6	\$39,871.5	\$37,850.7
Costs							
Operations & Maintenance							
Salaries & Benefits	\$1,040.0	\$1,081.6	\$1,124.9	\$1,169.9	\$1,216.7	\$1,265.3	\$1,315.9
Utilities/Communication	\$433.6	\$446.6	\$460.0	\$473.8	\$488.1	\$502.7	\$517.8
Printing/Supplies	\$56.8	\$58.5	\$60.2	\$62.0	\$63.9	\$65.8	\$67.8
Non-Professional Services	\$28.5	\$29.4	\$30.3	\$31.2	\$32.1	\$33.1	\$34.1
Indirect	\$320.0	\$329.6	\$339.5	\$349.7	\$360.2	\$371.0	\$382.1
Travel	\$10.0	\$10.3	\$10.6	\$10.9	\$11.3	\$11.6	\$11.9
Professional Services	\$100.0	\$103.0	\$106.1	\$109.3	\$112.6	\$115.9	\$119.4
Vehicle Maintenance	\$5.2	\$5.3	\$5.5	\$5.6	\$5.8	\$6.0	\$6.1
Herzog Transit Contract	\$16,648.0	\$17,147.4	\$17,661.9	\$18,191.7	\$18,737.5	\$19,299.6	\$19,878.6
MOW Materials	\$1,000.0	\$1,030.0	\$1,060.9	\$1,092.7	\$1,125.5	\$1,159.3	\$1,194.1
Fuel	\$3,465.0	\$3,569.0	\$3,747.4	\$3,859.8	\$4,052.8	\$4,174.4	\$4,383.1
Insurance	\$1,974.5	\$2,033.7	\$2,094.8	\$2,157.6	\$2,222.3	\$2,289.0	\$2,357.7
WiFi/Signal (Operations & Maintenance)	\$200.0	\$206.0	\$212.2	\$218.5	\$225.1	\$231.9	\$238.8
Subtotal, O&M	\$25,281.6	\$26,050.4	\$26,914.1	\$27,732.8	\$28,653.7	\$29,525.5	\$30,507.4
Capital							
Maintenance of Equipment (MOE)	\$728.1	\$535.5	\$344.6	\$371.8	\$219.3	\$219.3	\$219.3
Maintenance of Equipment (Midlife)	\$0.0	\$0.0	\$4,200.0	\$6,900.0	\$2,000.0	\$7,900.0	\$3,800.0
Maintenance of Way (MOW and Bridge)	\$895.0	\$1,335.0	\$1,245.0	\$845.0	\$929.0	\$929.0	\$929.0
Crossings (including section 130)	\$3,304.0	\$950.0	\$950.0	\$950.0	\$950.0	\$950.0	\$950.0
TAM (federal 5309 and match)	\$425.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Automated Passenger Count	\$250.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Passenger Ticketing	\$100.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Dispatch / Station IT Improvements	\$639.3	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Subtotal, Capital	\$6,341.4	\$2,820.5	\$6,739.6	\$9,066.8	\$4,098.3	\$9,998.3	\$5,898.3
Subtotal Cash Reserve/Emergency	\$8,597.6	\$4,153.2	\$344.5	\$0.0	\$3,136.6	\$0.0	\$1,445.0
Total Costs	\$40,220.6	\$33,024.1	\$33,998.3	\$36,799.6	\$35,888.6	\$39,523.8	\$37,850.7

* Revenues are listed by year of anticipated receipt, not apportionment

NMRX Lifetime Ridership

CALENDAR YEAR 2006 TO 2015 RAIL RUNNER RIDERSHIP										
MONTH	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
JAN	Service Started Friday, 7/14/06	22,658	35,023	125,907	92,379	85,102	86,089	82,072		
FEB		32,643	33,657	105,181	87,023	84,509	90,540	81,260		
MAR		47,902	39,129	115,889	101,634	117,081	101,005	91,199		
APR		31,695	42,634	100,589	92,743	106,111	92,056	90,867		
MAY		45,852	52,100	109,052	88,981	109,722	96,799	91,675		
JUN		52,506	68,359	120,269	102,958	116,617	102,133	91,746		
Jan - Jun		233,256	270,902	676,887	565,718	619,142	568,622	528,819		
JUL		58,113	52,548	72,723	125,224	109,666	117,143	104,534	103,739	
AUG		75,728	50,941	73,244	124,613	108,235	122,235	101,880	101,546	
SEP		47,587	49,767	67,676	123,170	113,275	114,670	97,837		
OCT		36,664	47,872	60,986	116,456	97,949	101,214	101,225		
NOV		12,260	36,445	37,621	90,105	81,972	84,705	80,466		
DEC		24,510	33,067	99,511	95,232	88,872	83,065	74,739		
Jul - Dec		254,862	270,640	411,761	674,800	599,969	623,032	560,681	205,285	
TOTAL		254,862	503,896	682,663	1,351,687	1,165,687	1,242,174	1,129,303	734,104	
Grand Total										7,064,376

1MM - 7/2008

2MM - 6/2009

3MM - 3/2010

4MM - 1/2011

5MM - 10/2011

6MM - 9/2012

7MM - 8/2013

Fare Increase - 4/2012